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# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Leslye Corsiglia

**SUBJECT:** SEE BELOW

**DATE:** June 9, 2003

Approved

*Ray Winter*

Date

*6/13/03*

**COUNCIL DISTRICT:** 6

**SNI AREA:** None

## INFORMATION

### **SUBJECT: CINNABAR COMMONS RELOCATION OF TENANTS**

At the January 14, 2003 meeting of the City Council, Councilmember Dando requested that the Housing Department provide information, once it was available, regarding the relocation of business tenants being displaced as a result of the development of the Cinnabar Commons affordable housing development. This memorandum responds to that request.

## BACKGROUND

Seven Hills Properties (Sponsor) has received all the necessary financing to construct the 245-unit Cinnabar Commons affordable housing development (Development), located on a 3.63-acre site at the westerly side of Stockton Avenue between Cinnabar Street and Lenzen Avenue. This financing includes a City funding commitment of up to \$29,029,000 for financing during the construction period. Of that amount, it is anticipated that approximately \$19,079,000 will remain in the deal as permanent financing.

Eleven businesses are located on the development site and must be relocated prior to commencement of construction.

## ANALYSIS

The Sponsor hired Pacific Relocation Consultants (Consultant) to handle the relocation of business tenants. All tenants were served a 90-Day Notice in early February 2003, which is in accordance with relocation regulations.

At this time, all of the eleven tenants have moved from the site and are finalizing their documentation for payment of relocation benefits from the Sponsor. Please refer to the

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attachment, which provides further detail for each tenant with regard to new location and estimate of relocation benefits.

The Consultant and Sponsor will continue to work closely with all tenants to expedite the payment of relocation benefits to which they are entitled.

**COORDINATION**

This report has been prepared by the Housing Department in coordination with the Office of the City Attorney.

  
LESLYE CORSIGLIA  
Director of Housing

Attachment

## Cinnabar Commons Relocation of Tenants Status as of June 9, 2003

Business Name	New Location	Estimated Relocation Amount	Relocation Benefits
AMS	1155 N. 7 <sup>th</sup> St., San Jose	\$30,000	Moving and re-establishment costs; re-installation of machinery
Cyrius Imaging	106 Stockton Ave., San Jose	\$11,375	Moving and re-establishment costs
Perfect Auto Detail	Tenant's whereabouts unknown	\$6,000 - \$7,500	Moving and re-establishment costs; subject to negotiated settlement
Peter Auto Body	1310 N. 10 <sup>th</sup> St., San Jose	\$35,937	Moving and re-establishment costs; replacement spray booth purchase, installation and permits; storage and search expenses
Golden West Drywall	1345 E. Taylor St., San Jose	\$35,560	Moving and re-establishment costs; Storage rack installation and modification; signage installation
Internet Advertising	385 Autumn St., San Jose	\$20,000 - \$25,000	Moving and re-establishment costs
Marketing Maniacs	1550 The Alameda, Suite 315, San Jose	\$12,000 - \$15,000	Moving and re-establishment costs
Mayfield Electric	917 Pascoe Ave., San Jose	\$9,000 - \$10,000	Moving and rental assistance
R.L. Mix Construction	1650 Almaden Rd., San Jose	\$40,000 - \$50,000	Moving and re-establishment costs
San Jose Taiko	578 N. 6 <sup>th</sup> Street, San Jose	\$20,000 - \$25,000	Moving and re-establishment costs
Secured Storage Concrete	601 Walsh Ave., Santa Clara	\$31,000	Moving and re-establishment costs